

Guarding Crop Reports Like Gold in a Vault

By AARON HARDY ULM

IN UPPER Frederick County, Maryland, on a hill overlooking the valleys of the Alleghenies, there is one of the most unique little farms in America. Its owner lives and works in Washington, D. C., and in springtime and summertime goes to and from his farm in a little automobile whose door displays the painted reproduction of a big, red peony; for it was with money earned from peony blossoms that the car was purchased.

The farm is a flower farm, devoted largely to the growing of peonies for market. Other marketable flowers are grown in quantity. Though the "playground" of a very busy man, the farm is profitable. It enables its proprietor frequently to forget figures and statistics and reports and country correspondents, in all of which he deals on a vaster scale than does any other individual in America. During almost any week his office receives enough "news" to fill a dozen newspapers. Its monthly supply of figures would plaster a mountain. It all has to be assimilated, digested and boiled down to a few simple words and numbers—in most cases to no more than four figures representing the sum total of all.

On his official staff just now there are more than 240,000 persons, there being one or more in practically every agricultural community in the country. Each sends him, usually, a monthly report. In addition he has forty to fifty trained reporters who spend all their time gathering information for him, and in editing and collating all that data he is aided by more than 200 office assistants. Seventy-two members of his office force do nothing but tabulate and add figures.

The man who thus "wallows" in reports from correspondents and in seas of figures on work days and plays profitably with peonies during week-ends is Leon M. Estabrook, chief of the United States Bureau of Crop Estimates, United States Department of Agriculture.

"If there is any 'personal side,' other than statistics and peonies, to Estabrook I've never seen it, outside, of course, his family life," said one who has been associated with him for years. "The one is his vocation, the other his avocation." The available miniature biographies of Estabrook state that he was born in Illinois and reared on a Texas cotton farm. Because he couldn't grow cotton and sell it profitably at six cents a pound, Estabrook is now Uncle Sam's chief gatherer of facts and figures about crops and farming. He came to manhood in the early nineties when cotton often wasn't worth the picking. He tried school teaching which, in the cotton-growing South of that period, was about as unprofitable as cotton growing. So he took a civil service examination and procured a clerkship in the War Department at Washington, of course, as is always the case, with the intention of getting some official experience and some added education and then returning to private occupation. He followed the customary course of the government clerk of unusual energy and went to a law school and in due time got his diploma.

But after a decade of subaltern life in Washington, Mr. Estabrook was no more than a stenographer in the Agricultural Department. There, however, he developed a fine capacity for details, which enabled him to become distributor of the annual supply of seeds. Thoughtful Congressmen ever provide for constituents back home. That led to his being put in charge of crop estimates.

The Bureau of Crop Estimates is the nucleus around which the Agricultural Department was built. In its original form, the bureau was a division of the United States Patent Office. It was established in 1840 and began issuing crop reports in 1860, though not until recent years did these reports comprise the infinite detail now entering into them.

ON CERTAIN days, fixed in part by law and otherwise by the Secretary of Agriculture, guards take their places at the locked doors of the bureau. Windows are barred and telephone connections with the bureau's offices discontinued. On the forenoon of these days no one is allowed to enter or go out of these offices, and no one within them is permitted to communicate in any way with anyone outside of them.

These are the days when crop estimates are made public.

When one is to come forth, representatives of the press associations, the telegraph companies and the big newspapers, gather in the press room of the Agricultural Department at about noon. Usually, at about 12:25, Mr. Estabrook appears with a handful of mimeographed sheets of paper. One is placed, printed face downward, in front of each reporter. Then each gets a "wire" connection with a telegraph operator down town. The operator makes ready with an open wire to New York, Chicago, New Orleans, or all of them and often many other cities. At 12:30 a gong sounds and thus releases the information on the sheets, which are turned over by the reporters and from them the figures given by them are shouted over the wires. Telegraph operators instantly tick the data to all the important marketing centers of the country. Thus the chief figures in a market report are made known simultaneously throughout the country.

Such precautions are very important because these reports invariably affect market quotations and sometimes very radically. They have sometimes caused the shifting of fortunes. Frequently, in the case of cot-

ton, values mounting into the tens of millions will come forth or disappear in a few seconds after the crop estimate gong sounds in the Department of Agriculture.

Crop reports are not issued for the benefit of speculators, among whom they make a most spectacular impression. The fact that those having to do with the important crops affect speculation heightens the importance of absolute secrecy governing them until the moment they are issued.

That secrecy is probably the most profound that surrounds any governmental operation. No attaché of the Bureau of Crop Estimates is allowed to disclose information bearing on crops, except in the formal ways prescribed by law and regulations. Nor is any one of them permitted to speculate in farm products.

The information upon which the estimates are based comes from the great army of reporters that has been organized by the bureau. All, except its expert and directing staffs, are volunteers, there being nearly a quarter of a million of them.

Each of the volunteer crop reporters gives estimates only for his county or community. There are several different groups. Those of one group deal only with a field agent located in the state. The agent takes the reports, edits and consolidates them, modifies them by his own observations and direct investigations and sends to the Washington bureau concrete estimates for the state.

Those of other groups report directly to Washington. In every county there is a reporter who estimates for his county as a whole. Generally he has a staff of his own, made up of farmers scattered throughout the county, but with them the bureau doesn't deal. Then in each township, or district of each county, there is another reporter who sends estimates for his neighborhood directly to Washington.

Then there are crop specialists who devote all their time traveling over a fixed territory for the purpose



Press Association and newspaper men waiting in the main building of the Dept. of Agriculture for the "release" of a crop report.

of making observations and direct inquiries regarding some single crop like wheat, or cotton, or truck. All of those reports are consolidated and harmonized in Washington, where they are reduced to simple factors. Only the local ones, like those from county or township reporters, are worked on daily. But after being tabulated, the figures are cut from the big sheets, so that the calculators, who do the adding and the averaging, never know on what communities or crops they are working.

Those from field agents and specialists are placed by the Post Office Department in special locked bags, which are stored in a safe, a key for which is carried only by the Secretary and one Assistant Secretary of Agriculture. The contents of these bags are not disclosed until the morning of the day the estimates are issued. And while they are in process of consolidation with other statistics no one handling them can communicate with the outside world. The final figures are arrived at by a board of which Mr. Estabrook, chief of the bureau, is chairman.

Of course, many of the volunteer crop reporters necessarily are not of high judgment. Many of them naturally make biased reports. Not a few, who have direct interest in the markets, try to put something over on the bureau. But all of that is taken care of by the science of statistics and its great working principle, the law of averages. They know just what discounts to make to check every influence making for inaccuracy.

Hence the estimates generally have proved to be marvelous in the quality of prophetic vision. In the case of important crops, they include facts about acreage, condition, and a forecast of yield. Early forecasts by necessity are often shot to pieces by conditions which cannot be anticipated, like variations in the seasons, drouths, wet spells and such. But late forecasts invariably hit close to the bull's eye. The estimates for cotton, which are in some respects the most

complete and in a speculative sense the generally most important of all, can be checked up almost absolutely. For the Census Bureau is able to gather ginning statistics that tell the figures of each year's cotton harvest. In twenty years the highest over-estimate made by the estimating bureau was 3.7 per cent, and the lowest under-estimate 5.5 per cent. The average for 17 years ending with 1916 was an under-estimate of only 1.2 per cent; for the five years, 1912-16, the average was an under-estimate of only .8 per cent and for three years, 1914-16, only .6 per cent.

Absolute checks cannot be made on estimates of such crops as wheat and corn for the reason that a great proportion does not enter the open market and much that is marketed does not go through the organized channels of trade.

Mr. Estabrook is now urging Congress to enlarge his bureau so that he may gather accurate figures regarding distribution of all important crops. He is of the opinion that it would be of immense value to the business and agricultural interests for government reports to show regularly what portion of crops are surplus and where the surpluses are located. He thinks his reports, now in the main dealing with the states as units, should give constant cross-section views of crop and farm conditions in every county. He is also in favor of developing a system whereby accurate estimates may be made of crops and crop conditions in foreign countries.

THE bureau now makes reports on about seventy agricultural crops. A tab is kept even on the busy bee and its product. Reports include prices received on the farms.

Thorough reports and detailed estimates are not made on several important crops. No complete check is kept on live stock and practically none on poultry, barring the decennial census.

The great purpose of making crop estimates is to stabilize agricultural production. In the fall of 1917, for example, the reports showed a big planting of winter wheat.

But the severe weather of the following winter forced much of the acreage to be abandoned. The spring report showed just how much had been abandoned and where, as well as the condition and probable yield of that surviving. Thus the average wheat farmer could see at a glance that a big planting of spring wheat would be timely, and the authorities were enabled to stimulate plantings that brought final production above normal, despite the check made by the wintry blasts of early 1918.

The reports by indicating probable production, long before the harvest, enables the manufacturer or distributor to plan accordingly. This is why they have such bearing on speculative prices.

The bureau's work is predicted on the Biblical proverb that "the truth shall make you free." It aims only at presenting the truth, regardless of whether it shall be of transient help to bull or bear, farmer or speculator.

Occasionally an effort is made by some interested class to have the reports withheld or modified. A few years ago one of the country's greatest boards of trade led a movement aimed at suppressing a report on spring wheat because of the bad conditions it would show and the radical influence it would have on the market. But the authorities refused to consider the suggestion. When possible such proposals are filed away and ignored until after the report is issued.

Only once, and that nearly a score of years ago, has the government's crop reporting service been involved with scandal. That was when information regarding a cotton crop estimate "leaked" out. The incident caused the service to be subjected to a measure of suspicion. But now and for many years past the estimating service is and has been free of reproach.

One of the first reforms accomplished by the present chief, Mr. Estabrook, was to put the salaried organization on a basis of merit. All appointments were brought within the civil service.

The crop estimating bureau was of great help during the war. It made the great raw food supplies and crop surveys upon which the Food Administration based its policies.

It demonstrated during the war that, by employing the telegraph and special delivery mails, concrete knowledge regarding the quantity, location and prospects of any farm product can be gained through the bureau in a few days.

"The secret of business and agricultural economy is knowledge," says Mr. Estabrook. "A man can't plan his operations accurately unless he knows what is being done or is likely to be done by others along the same or corresponding lines. The law of supply and demand can't work efficiently unless it is guided by complete and accurate information. After crops are harvested, you can't make up shortages or take economical care of unexpected surpluses. If you know of them beforehand, they will largely take care of themselves."

"I hope to see the time when this bureau will be able regularly to lay before the farmer, the merchant, the manufacturer and consumer accurate data in detail regarding the present and potentially future status of every important product of the farm. Nothing else tends more toward producing stability. Uncertainty is the life of speculation."